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BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268-0001

Notice of Market Dominant Price Adjustment

Docket No. R2020-1

COMMENTS OF THE
NATIONAL ASSOCIATION OF PRESORT MAILERS
(November 26, 2019)

The National Association of Presort Mailers respectfully submits these comments in response to the United States Postal Service's notice of a revised First-Class Mail rate design, dated November 20, 2019.

The Postal Service's revised First-Class Mail rate design would set the price for 5-Digit Automation Presort Letters as \$0.389 instead of \$0.391, as previously proposed. The Postal Service proposes to maintain all other prices and associated classification changes previously proposed for First-Class Mail. The NAPM strongly supports the USPS' revised First-Class Mail rate design.

The revised First-Class Mail rate design will increase the incentive for sortation to 5-Digit, the largest volume product in First-Class Mail. The revised 5-Digit rate results in a workshare discount passthrough that is closer to 100 percent of the avoided costs than the previously filed rates. The rate thus better reflects the value of the work performed by Mailing Services Providers and will drive more profitable mail and cost reduction.

The NAPM supports increased workshare discounts that encourage Mailing Services Providers to make the investments necessary in new technologies that improve mail production, preparation, and downstream entry processes that enable the Postal Service to realize the cost cutting and mail retention benefits. Additionally, these investments enable mailers and Mailing Services Providers to support and facilitate the development of Postal

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Service innovation programs to create added value offerings, improve delivery service, and promote the growth of mail. At a time when First-Class Mail volumes continue to be threatened and businesses have other choices for their communication needs, it is essential that mail remain a cost-effective and viable solution.

The NAPM supports the Postal Service's request for prompt approval of the revised First-Class Mail price adjustments. Prompt approval is necessary to provide the time NAPM member companies will need to work with the Postal Service to prepare for the January 26, 2020 implementation date.

The NAPM appreciates the Commission's consideration of these comments.

Respectfully submitted,

/s/

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